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SUBJECT: EUROPEAN COUNTERPARTS SEEK MORE ROBUST DEVELOPMENT
DIALOGUE

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SUMMARY AND COMMENT

¶1. European counterparts within the Commission, Czech Presidency, and EU Member States have indicated strong interest in elevating development to a more important place on the trans-Atlantic agenda. In their view, the new U.S. Administration is likely to be receptive to these efforts, given a stated interest in renewing relations with long-time allies as well as a new emphasis on making full use of all the instruments of smart power, including development. During the coming weeks, this effort will likely gather momentum, resulting in further requests for meetings, ideas and deliverables. As this process unfolds, it is important that the inter-agency process in Washington move toward a consensus position, one that not only informs our dialogue with Brussels on development issues but, ideally, will pro-actively help to shape it. END SUMMARY AND COMMENT

¶2. Last month, Czech contacts discussed with USEU staff possible approaches to advancing this agenda. Earlier this week, the head of the Czech development department made a return visit to USEU, again emphasizing the importance that the Czech presidency attaches to furthering a much more robust EU-U.S. dialogue on development. At the start of the Czech presidency in January, Finland presented its ideas for an expanded EU-U.S. development dialogue to other member states. When the Czech presidency concludes at the end of June, there is no doubt that the Czechs want to report that considerable progress has been made.

¶3. Recently, a contact working within Commissioner for Development Louis Michel's front office highlighted several measures taken within the Commission over the past few weeks to move forward with a much broader development agenda. Reportedly, Commission President Barroso chaired a meeting in Brussels on March 24 involving all seven commissioners responsible for external relations, resulting in consensus on ways to engage with the United States more directly on development. Those in attendance included Commissioner Michel (covering Africa, the Caribbean and the Pacific); Commissioner Rehn (covering countries aspiring to EU membership, primarily the Balkans); Commissioner Ferrero-Waldner (covering the rest of the world); and Commissioner Almunia (covering economic affairs).

¶4. As a result of that meeting, agreement was reached to pursue enhanced EU-U.S. development cooperation in four main areas:

-- Consensus building and coordination prior to major international development conferences and events (UN, OECD, World Bank, IMF, etc.). According to EC contacts, in past years the EU-U.S. relationship has suffered because of lack of coordination prior to significant international meetings. In their view, the point is not necessarily to always reach agreement on a common position. Rather, it is to make sure that there is advanced appreciation and understanding of the views of each party beforehand.

-- Political/Policy Dialogue on geographical (notably regional) strategies and thematic issues, inter alia on peace and security, governance, aid effectiveness, financing for development (including innovative sources and definitions of ODA), policy coherence and Africa, taking into account the EU-Africa partnerships. From an EU perspective, discussions on country-specific issues already take place, especially in "lightning rod" places like Georgia, Palestine, Afghanistan and Pakistan where political issues also loom large. By taking a regional approach focused on sub-Saharan Africa, the idea is to ensure a heightened focus on more specific development concerns.

-- Specific cooperation in the field, notably in sub-Saharan countries/regions, in line with aid effectiveness principles and focusing on the Millennium Development Goals (MDGs), peace and security, governance, infrastructure, regional integration/trade and public/private partnerships. In this case, there is a strong desire to take an explicitly pragmatic approach. The intent is to avoid theoretical or abstract discussions and instead focus on goals that are both practical and attainable. According to one contact, excellent coordination already takes place on theoretical issues at the OECD in Paris. However, what is needed is a companion effort, this one focused on operational concerns.

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-- Increased awareness/knowledge about our respective development policies, in order to bring our development communities (policy makers, civil servants, think tanks, research institutes, etc.) closer and stimulate exchanges between them. From an EC perspective, significant misconceptions have developed in recent years on our respective views and approaches to development. The idea is to build personal relationships among individuals involved in development on both sides of the Atlantic, with a view toward providing each side with a more realistic perspective on what approaches are employed by various donors and why.

¶5. According to one Commission source, President Barroso will use the upcoming EU-U.S. summit in Prague on April 5 to comment on a long list of themes, including the global economic situation, Pakistan/Afghanistan, Iran, the Middle East, climate change and energy security. Development will not formally be part of the agenda. However, he is expected to use the opportunity to highlight development as an area in which Europe seeks further cooperation and dialogue. In the view of some EC officials, a development-related deliverable also needs to be put forward at the EU-U.S. summit scheduled to take place in late June.

¶6. The May General Affairs and External Relations Council (GAERC) will include detailed discussions on development. All 27 EU development ministers are likely to attend along with their foreign ministers. Very informally, USEU staff has been asked if a new USAID Administrator or some other senior U.S. official would be available to present a U.S. perspective to the assembled European development ministers at a dinner scheduled for the evening of May 18. According to the Czechs, the May GAERC provides perhaps the last opportunity to ensure that a deliverable related to development is included in the EU-U.S. summit in June.

¶7. In addition, the EC has taken a number of other concrete steps aimed at furthering an expanded trans-Atlantic dialogue

on development:

-- The EC is nearing completion of a survey of some 100 EU delegations on how they interact with the United States on development issues in the field. Nearly four-fifths of the surveys have already been returned. While comments are mixed, some positive examples from the field are already emerging. Results of the survey, when collated, will be shared with the United States.

-- In July or November, the European Institute for Security Studies in Paris will sponsor the next of its regular series of EU-U.S. forums in Washington, DC. The EC anticipates that for the first time there will be a separate, stand-alone session focused exclusively on development.

-- In April or May, the EC will issue a call for proposals from think tanks on both sides of the Atlantic. The intent is to solicit proposals aimed at strengthening the trans-Atlantic dialogue on development.

-- There is also ongoing interest in engaging with civil society in Europe and the United States on development-related themes. While further discussions are needed with the Council as well as individual member states, the EC expects that this effort will lead to a new outreach initiative involving both the American and European public.

¶8. EC representation at the World Bank meetings in Washington on April 25-26 will probably include a development delegation co-led by Czech State Secretary for Foreign Affairs Jan Kohout and European Commission Director General for Development Manservisi. The delegation will likely arrive in Washington on April 23, with a view toward scheduling meetings with senior U.S. counterparts aimed at advancing the EU-U.S. development dialogue.

¶9. Finally, Commissioner Louis Michel remains strongly interested in meeting with Secretary Clinton during his visit to Washington on April 25-26 to participate in the World Bank meetings. As his February 23 letter to the Secretary makes clear, a central motivation for this meeting is to engage on development issues. From an EC perspective, the Secretary has signaled to international audiences the importance that she attaches to development and there is hope that this will lead to a sustained dialogue between the EU and the United States on development issues.

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CONCLUDING COMMENT

¶10. Amidst the interest and enthusiasm among European counterparts for a renewed development dialogue, there are those who remember a similar effort that was briefly launched in the late 1990s and then abandoned. There are also varying degrees of enthusiasm among individual member states, with some larger bilateral donors perhaps concerned that their own direct interactions with the U.S. development community would be reduced if dialogue with the EC assumes a more central role. That said, counterparts have also expressed a view that the international dynamic may be different this time around. On the European side, there is obvious enthusiasm for working to ensure that development plays a more central role in the ongoing trans-Atlantic agenda. This interest and enthusiasm will almost certainly result in more contacts, questions and ideas across the full spectrum of U.S. agencies and departments involved in development. On our side, it will be especially useful if we can encourage the Europeans to think in terms of a whole of government approach, one that emphasizes development as a broad and cross-cutting issue. As the European initiative gathers momentum, Washington needs to consider launching a parallel effort, one that not only sets forth a USG policy response but also highlights ways in

which we can more pro-actively engage with European counterparts to help shape the EU-U.S. development dialogue that is now unfolding.

MURRAY

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